

HOUSE AMENDMENT NO.____

Offered by

_____ of _____

1 AMEND House Committee Substitute for Senate Substitute for Senate
2 Committee Substitute for Senate Bill No. 22, Page 94, Section
3 105.452, Line 30, by inserting after all of said line the
4 following:

5 "108.170. 1. Notwithstanding any other provisions of any
6 law or charter to the contrary, any issue of bonds, notes, or
7 other evidences of indebtedness, including bonds, notes, or other
8 evidences of indebtedness payable solely from revenues derived
9 from any revenue-producing facility, hereafter issued under any
10 law of this state by any county, city, town, village, school
11 district, educational institution, drainage district, levee
12 district, nursing home district, hospital district, library
13 district, road district, fire protection district, water supply
14 district, sewer district, housing authority, land clearance for
15 redevelopment authority, special authority created under section
16 64.920, RSMo, authority created pursuant to the provisions of

Action Taken _____

Date _____

1 chapter 238, RSMo, or other municipality, political subdivision
2 or district of this state shall be negotiable, may be issued in
3 bearer form or registered form with or without coupons to
4 evidence interest payable thereon, may be issued in any
5 denomination, and may bear interest at a rate not exceeding ten
6 percent per annum, and may be sold, at any sale, at the best
7 price obtainable, not less than ninety-five percent of the par
8 value thereof, anything in any proceedings heretofore had
9 authorizing such bonds, notes, or other evidence of indebtedness,
10 or in any law of this state or charter provision to the contrary
11 notwithstanding. Such issue of bonds, notes, or other evidence
12 of indebtedness may bear interest at a rate not exceeding
13 fourteen percent per annum if sold at public sale after giving
14 reasonable notice of such sale, at the best price obtainable, not
15 less than ninety-five percent of the par value thereof; provided,
16 that such bonds, notes, or other evidence of indebtedness may be
17 sold to any agency or corporate or other instrumentality of the
18 state of Missouri or of the federal government at private sale at
19 a rate not exceeding fourteen percent per annum.

20 2. Notwithstanding the provisions of subsection 1 of this
21 section to the contrary, the sale of bonds, notes, or other
22 evidence of indebtedness issued by the state board of public
23 buildings created under section 8.010, RSMo, the state board of
24 fund commissioners created under section 33.300, RSMo, any port

1 authority created under section 68.010, RSMo, the bi-state
2 metropolitan development district authorized under section
3 70.370, RSMo, any special business district created under section
4 71.790, RSMo, any county, as defined in section 108.465,
5 exercising the powers granted by sections 108.450 to 108.470, the
6 industrial development board created under section 100.265, RSMo,
7 any planned industrial expansion authority created under section
8 100.320, RSMo, the higher education loan authority created under
9 section 173.360, RSMo, the Missouri housing development
10 commission created under section 215.020, RSMo, the state
11 environmental improvement and energy resources authority created
12 under section 260.010, RSMo, the agricultural and small business
13 development authority created under section 348.020, RSMo, any
14 industrial development corporation created under section 349.035,
15 RSMo, or the health and educational facilities authority created
16 under section 360.020, RSMo, shall, with respect to the sales
17 price, manner of sale and interest rate, be governed by the
18 specific sections applicable to each of these entities.

19 3. Notwithstanding other provisions of this section or
20 other law, the sale of bonds, notes or other evidence of
21 indebtedness issued by any housing authority created under
22 section 99.040, RSMo, may be sold at any sale, at the best price
23 obtainable, not less than ninety-five percent of the par value
24 thereof, and may bear interest at a rate not exceeding fourteen

1 percent per annum. The sale shall be a public sale unless the
2 issuing jurisdiction adopts a resolution setting forth clear
3 justification why the sale should be a private sale except that
4 private activity bonds may be sold either at public or private
5 sale.

6 4. Notwithstanding other provisions of this section or law,
7 industrial development revenue bonds may be sold at private sale
8 and bear interest at a rate not exceeding fourteen percent per
9 annum at the best price obtainable, not less than ninety-five
10 percent of the par value thereof.

11 5. Notwithstanding other provisions in subsection 1 of this
12 section to the contrary, revenue bonds issued for airport
13 purposes by any constitutional charter city in this state which
14 now has or may hereafter acquire a population of more than three
15 hundred thousand but less than six hundred thousand inhabitants,
16 according to the last federal decennial census, may bear interest
17 at a rate not exceeding fourteen percent per annum if sold at
18 public sale after giving reasonable notice, at the best price
19 obtainable, not less than ninety-five percent of the par value
20 thereof.

21 6. For purposes of the interest rate limitations set forth
22 in this section, the interest rate on bonds, notes or other
23 evidence of indebtedness described in this section means the rate
24 at which the present value of the debt service payments on an

1 issue of bonds, notes or other evidence of indebtedness,
2 discounted to the date of issuance, equals the original price at
3 which such bonds, notes or other evidence of indebtedness are
4 sold by the issuer. Interest on bonds, notes or other evidence
5 of indebtedness may be paid periodically at such times as shall
6 be determined by the governing body of the issuer and may be
7 compounded in accordance with section 408.080, RSMo.

8 7. Notwithstanding any provision of law or charter to the
9 contrary:

10 (1) Any entity referenced in subsection 1 or 2 of this
11 section and any other political corporation of the state which
12 entity or political corporation has an annual operating budget
13 for the current year exceeding twenty-five million dollars may,
14 in connection with managing the cost to such entity or political
15 corporation of purchasing fuel, electricity, natural gas, and
16 other commodities used in the ordinary course of its lawful
17 operations, enter into agreements providing for fixing the cost
18 of such commodity, including without limitation agreements
19 commonly referred to as hedges, futures, and options; provided
20 that as of the date of such agreement, such entity or political
21 corporation shall have complied with subdivision (3) of this
22 subsection; and further provided that no eligible school, as
23 defined in section 393.310, RSMo, shall be authorized by this
24 subsection to enter into such agreements in connection with the

1 purchase of natural gas while the tariffs required under section
2 393.310, RSMo, are in effect;

3 (2) Any entity referenced in subsection 1 or 2 of this
4 section and any other political corporation of the state may, in
5 connection with its bonds, notes, or other obligations then
6 outstanding or to be issued and bearing interest at a fixed or
7 variable rate, enter into agreements providing for payments based
8 on levels of or changes in interest rates, including without
9 limitation certain derivative agreements commonly referred to as
10 interest rate swaps, hedges, caps, floors, and collars, provided
11 that:

12 (a) As of the date of issuance of the bonds, notes, or
13 other obligations to which such agreement relates, such entity or
14 political corporation will have bonds, notes, or other
15 obligations outstanding in an aggregate principal amount of at
16 least fifty million dollars; and

17 (b) As of the date of such agreement, such entity's or
18 political corporation's bonds, notes, or other obligations then
19 outstanding or to be issued have received a stand-alone credit
20 rating in one of the two highest categories, without regard to
21 any gradation within such categories, from at least one
22 nationally recognized credit rating agency, or such entity or
23 political corporation has an issuer or general credit rating, in
24 one of the two highest categories, without regard to any

gradation within such categories, from at least one nationally
recognized credit rating agency; and

(c) As of the date of such agreement, such entity or
political corporation shall have complied with subdivision (3) of
this subsection;

(3) Prior to entering into any agreements pursuant to
subdivision (1) or (2) of this subsection, the governing body of
the entity or political corporations entering into such
agreements shall have adopted a written policy governing such
agreements. Such policy shall be prepared by integrating the
recommended practices published by the Government Finance
Officers Association or comparable nationally recognized
professional organization and shall provide guidance with respect
to the permitted purposes, authorization process, mitigation of
risk factors, ongoing oversight responsibilities, market
disclosure, financial strategy, and any other factors in
connection with such agreements determined to be relevant by the
governing body of such entity or political corporation. Such
entity or political corporation may enter into such agreements at
such times and such agreements may contain such payment,
security, default, remedy, and other terms and conditions as
shall be consistent with the written policy adopted under this
subdivision and as may be approved by the governing body of such
entity or other obligated party, including any rating by any

1 nationally recognized rating agency and any other criteria as may
2 be appropriate;

3 (4) Nothing in this subsection shall be applied or
4 interpreted to authorize any such entity or political corporation
5 to enter into any such agreement for investment purposes or to
6 diminish or alter the special or general power any such entity or
7 political corporation may otherwise have under any other
8 provisions of law including the special or general power of any
9 interstate transportation authority."; and

10 Further amend said title, enacting clause and intersectional
11 references accordingly.